

Minnesota Health Insurance Exchange

Navigator, Agent and Broker  
Work Group - Compensation

Advisory Task Force Meeting  
December 11, 2012

DRAFT

## Advisory Task Force Meeting

December 11, 2012 – *DRAFT*

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### Summary

A Health Insurance Exchange is a marketplace for individuals and small businesses to compare, choose, and purchase affordable health insurance. An Exchange can make health care insurance easier to navigate for consumers and small businesses. It can allow Minnesotans to easily compare health insurance options based on cost, quality, and consumer satisfaction. It can also foster fair and equitable competition to encourage insurers and health care providers to focus on value, quality, and affordability.

An Exchange can help small businesses provide affordable coverage choices to their workers and allow employees to choose the plan that is best for them and their families. Subsidies and tax credits will be available to eligible individuals and small businesses to make coverage more affordable. Eligible Minnesotans can purchase private health insurance or enroll in public programs like Medical Assistance through the Exchange.

Consumer assistance will be critical to the success of the Exchange. In order to ensure quality health care is accessible to consumers and to meet the Affordable Care Act (ACA) requirement that each Exchange have a Navigator program, Minnesota's Health Insurance Exchange will establish a Customer Assistance / Navigator Program that identifies specific roles and responsibilities. This consumer assistance will provide public outreach and education and help individuals through the eligibility determination process and plan selection and eligibility determination process.

This report provides options for the Advisory Task Force to consider regarding Compensation Methodologies per Levels of Service as they pertain to the Customer Assistance / Navigator program.

## **Consumer Assistance / Navigator Program – Compensation Methodologies**

### **December 11, 2012**

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### **Background**

The Minnesota Health Insurance Exchange Advisory Task Force adopted several recommendations on January 18, 2012 to help guide the development of a Minnesota-made Health Insurance Exchange. The following guiding principles were focused on the Navigator program and will specifically inform the design and development of potential Compensation Methodologies as part of the Minnesota Consumer Assistance / Navigator Program:

- 1) The Navigator program should ensure that consumers are seamlessly transitioned between different Navigator roles, if needed, to prevent gaps in service delivery. The Exchange will serve a diverse group of consumers in different eligibility groups and insurance markets such as Medicaid, the individual market (with and without premium tax credits), and the small group market. Some individuals may shift eligibility between Medicaid, the individual market (with or without premium tax credits), and the small group market. Navigators should provide services that support individuals whose circumstances and eligibility may change over time. Due to the unique needs of consumers, employers, and communities using the Exchange, the Navigator program should utilize Navigators with the expertise to meet the needs of each group and ensure a seamless experience to ensure no one falls through the cracks.
- 2) Compensation levels for Navigators should align with the different type of services being offered within the Navigator role and provide flexibility for performance based compensation models.
- 3) Funding decisions for the Navigator program should be made in a timely manner to allow for an evaluation of the amount of resources available and the appropriate allocation of those funds to meet program priorities.

Because final policy decisions for Minnesota's HIX Consumer Assistance / Navigator Program have not been made at this time the Navigator, Agent, and Broker Work Group has focused on developing options and general recommendations. The following section supports this approach by not assuming a single structure for providing consumer assistance. As required, Minnesota's HIX will create a federally approved Navigator program and also recognizes the critical role agents and brokers will play in the HIX assisting individuals and small businesses.

Consumer assistance will require outreach, education, application and enrollment assistance and plan selection guidance for various populations in Minnesota including the uninsured and underinsured. In addition to a Navigator Program, federal guidelines permit other assisters to operate within the HIX – including Agents and Brokers and "In-Person Assisters".

To evaluate potential Compensation Models, the Work Group categorized all vetted levels of services into four distinct groups

- Outreach, InReach, Education
- Assessment
- Application Assistance / Enrollment
- Plan Selection Support

Potential compensation methodologies were then listed for each grouping and discussed, capturing pro's and con's for each level of service utilizing the Advisory Task Force recommendations as guidance to help inform the discussion. The discussion focused on activities, interactions and expertise of organizations currently performing exact and/or similar activities today for uninsured, underinsured, public programs (Medicaid/CHIP), individual market and small employer (SHOP), understanding that existing expertise must be leveraged. It is worth noting, once the discussion focused on the Plan Selection Support activities, an issue emerged regarding specific licensable activities within the broader set of services and the entities currently performing these services. The Work Group recognized there are many different methods of compensation specific to the different entities currently performing these types of services, thus it was difficult to differentiate from specific roles within this level of service group.

## Considerations

The following tables identify the pros and cons of various compensation methods in regards to specific levels of service. These compensation options do not identify compensation methods according to specific roles. The following optional methods of compensation are meant to cover and provide support to the broad spectrum of services provided via the Consumer Assistance / Navigator Program. Several issues were identified during work group discussion of compensation options, but are not all specifically addressed in this document. Those issues not specifically covered in this document will be addressed within the scope of the operational development and implementation of HIX Consumer Assistance / Navigator Program. The following is a high-level summary of key notes captured throughout the Work Group discussions:

- Levels of Service:
  - The work group placed an emphasis on activities that support consumer needs for the first year of HIX operation.
  - Licensable and non-licensable activities both exist within the Plan Selection Support group and creates a challenge in recommending compensation models based on level of service.
  - As the HIX is operationalized, levels of service may begin to merge/overlap to meet consumer needs and increase operational efficiency.
  - The list of activities under each Level of Service was not meant to be an all-inclusive list.
- Conflict of Interest:
  - Conflict of Interest standard required by ACA – need to consider current MN Statute.
  - Related to financial incentives and selection bias.
  - Discussed requirement to develop a standard based on existing laws, but no specific recommendations provided by the Work Group at this time.
- Training:
  - Will depend on level of service being provided by organization/individual.
  - Should be reasonable based on amount of compensation.
- Referrals:
  - As the MN HIX leverages the current landscape, referrals must be fostered to organizations with specific expertise.
  - Recognize the need to refer consumers to organizations with expertise, but need to ensure consumers receive seamless customer service.
- If funding levels are inadequate, it may force organizations to depend on other financing to provide services. Initial funding should deliver sustainable levels of compensation for the services provided.
- Consumer assistance entities require a viable and identifiable cash flow to provide the necessary resources to provide the full breadth of services.

- A hybrid compensation model (upfront funds combined with incentive payments) provides a continuum of service approach that provides flexibility between levels of service, referrals, and partnership opportunities.
- A hybrid compensation model provides flexibility for year one and beyond.
- Partnerships should be facilitated, fostered, and encouraged between those entities providing different levels of service.
- Time is of the essence; compensation models for different levels of service should leverage greatest strengths of current landscape to facilitate the shortest implementation timeframe feasible.
- Consumer Assistance has several important interdependencies with HIX decisions/policies on marketing, customer assistance, call center, and financing.
- “Assessment” levels of service interact closely with the other levels of service and should not be separated via compensation.
- Sustainable compensation lends itself to creating a model of consumer assistance that incentivizes year round/service cycle services to mitigate churn and other barriers to coverage.
- Pay-for-performance and per-member-per-month are similar compensation models that can be constructed to incentivize either specific or broad based consumer assistance beyond initial enrollment. These types of compensation may facilitate the best continuum of care for consumers depending on the identified consumer needs and how the compensation model is implemented.
  - Pay-for-performance is more administratively burdensome because services must be specifically identified, while per-member-per-month is a case management model that is flexible to the needs of the consumer.
  - Depending on how constructed, block grants can also require a focus on specific consumer needs.
- “Assignment” of compensation methods should not be a “static” process, we need to keep it dynamic. Initial implementation/year one requirements versus long-term strategies where lessons learned can be applied and may lead HIX to consider different methods of compensation.

During the final Work Group meeting, there was significant discussion about whether to provide specific recommendations; identifying preferred compensation methods with corresponding level of service activities. The Work Group members decided not to make a recommendation with the intent to maintain as much flexibility as possible, understanding the growth and needs of the HIX will change beyond year one. In addition, several Work Group members felt it was too early in the development of the HIX both structurally and operationally. Therefore we will reference those methods which may lend themselves to support the specific activities best with the intention of maintaining flexibility for planning and supporting the ongoing dynamic needs of the HIX.

For both **Outreach, Inreach and Education** and **Assessment** Levels of Service, the Work Group felt the Block Grant lends itself to the most effective and efficient delivery of these services and would consider this as a primary funding approach. There were several benefits noted:

1. Provide the flexibility needed for ongoing HIX needs
2. Support innovation for creating new systems with many unknowns
3. Provide immediate cash flow for entities / organizations

In regard to **Application Assistance and Enrollment**, the Work Group members felt the Block Grant could offer effective support for these services. However, eventually, attention will need to be given toward maintaining and supporting ongoing consumer needs within the HIX which may lead more toward a Pay for Performance

Grant or even a Hybrid Grant model. In addition, once entities / organizations learn what they can accomplish, it may make more sense to move toward a Hybrid Grant model.

The Work Group maintained focus on activities versus actual roles. With this as a guiding principle, all compensation methods listed for **Plan Selection Support** should remain as viable options. Navigators / In-person Assisters could provide the activities listed with the exception of specific licensable activities. However, it will be important to understand and clearly emphasize during training when this “line” gets crossed and a referral is necessary.

Many of the work group discussions focused on the need to implement a consumer assistance approach that leverages current infrastructure. This will allow Minnesota to develop a robust consumer assistance model that supports consumer options and particular needs, provides strong consumer protection—which is built into the current market system—and a system that maximizes the opportunity for consumers to receive an effective and integrated service delivery experience. The focus should be to design a system, so that referrals between organizations are minimized, but when necessary referrals are seamless and don’t result in a disruption of services to the consumer. Examples discussed within the work group:

- a) Facilitation of enrollment through use of HIX decision tools to provide the consumer with the information needed around plan selection while ensuring appropriate referrals when activity moves to advising consumer on specific plan selection.
- b) Households that contain a mix of consumers receiving Medicaid or Advanced Premium Tax Credit/Cost Sharing Reductions (APTC/CSR) as well as individuals / families that transition between Medicaid and (APTC/CSR). In these situations where individuals / families are moving between public programs and QHPs there is the potential for the continuum of service to be broken, especially in situations of multiple organizations providing services across the spectrum of public programs and QHPs.

The goal is to design and implement a comprehensive consumer assistance program that leverages current capacity across public and commercial landscapes and provides structural mechanisms and incentives for seamless service delivery. As the lines between private and public health care are blurred, so too must the consumer assistance aspect of Minnesota’s health care marketplace.

## Glossary

**Grant - Block:** Lump sum compensation, with initial payment and regularly scheduled reimbursement. Competitive Request for Proposal (RFP) process, wherein organizations are tasked with proposing activities (or methods) for achieving specific goals set forth in the RFP. Generally covers a broader spectrum of activities with fewer requirements on how the entity accomplishes the agreed upon measurable goals and performance requirements.

*Examples: State, Federal Grants*

**Grant – Pay for Performance:** Compensation based on completion of specific benchmarks. Competitive RFP process, wherein organizations are tasked with completing specific performance benchmarks. Activities are limited to those specified in the RFP.

*Example: Minnesota Community Application Agent Program (MNCAA)*

**Grant – Hybrid:** Includes both the pay for performance and block grant model.

*Example: MNCAA's receiving an HCEA Outreach Grant.*

**Per-Member-Per-Month:** Organizations contract to perform a specific set of duties that continue over a period of time. Payment not tied to specific consumer activity volume. Generally working with a population already enrolled with established relationships. Consumer retention focused.

*Example: Agents and Brokers*

**No Compensation:** No payment provided to Assisters for services provided to Exchange consumers.

*Examples: Hospitals, Community Organizations, Clinics (Primarily assist consumers to apply for insurance).*

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## Consumer Assistance / Navigator Program Responsibilities by Compensation Options

### Level of Service – Outreach

#### Public Education

1. Conduct outreach to consumers typically in group settings, focusing on broad topics related to health insurance and coverage options.
2. Educate public, particularly the uninsured, on the benefits of health insurance and what health insurance provides for the individual.
3. Inform consumers of health insurance options (Inreach) and advise consumers regarding the value of coverage, in addition to explaining insurance options available through the HIX.
4. Define health insurance terms by aiding consumers in understanding the difference between a premium, deductible and co-insurance.
5. Explain the HIX and its governance structure.
6. Provide materials and explanations about Essential Health Benefits.
7. Inform consumers of the expanded and changed coverage as a result of the ACA, including: premium tax credits, insurance rescission rules, lifetime limit changes, preventive screening changes, pre-existing exclusion, etc.

| Compensation Options   | Grant – Block   | Grant – Pay for Performance   | Grant – Hybrid  | PMPM   | No Compensation   |
|--|---|---|---|--|---|
| <b>Navigator, Agent &amp; Broker Work Group Considerations</b> | <b>Pro’s:</b> <ul style="list-style-type: none"> <li>▪ Predictable budget expense.</li> <li>▪ Provides flexibility and encourages innovation.</li> <li>▪ Encourages new entrance into this field by providing grantees with funding for start-up costs and hiring (front-loading).</li> <li>▪ Provides a continuum of familiarity with those already performing these types of functions. Entities are familiar to this process now.</li> <li>▪ Offers opportunity for partnerships that may already exist or could be developed; flexibility to match up agencies to provide mentorship to less experienced agencies/org.</li> <li>▪ Model lends itself to activities that engage hard-to-reach populations.</li> <li>▪ Provides agreed upon set of services for delivery.</li> <li>▪ Having a point person to provide continued assistance to consumer and provide the needed flexibility to address the anticipated “Churn”.</li> <li>▪ Fair and competitive process.</li> </ul> | <b>Pro’s:</b> <ul style="list-style-type: none"> <li>▪ Easy to administer (for grantor) – funds distributed based upon defined and measurable outcomes <i>and distributed on a schedule (quarterly basis) and tied to achievement of specified goals.</i></li> <li>▪ Encourages greater accountability.</li> <li>▪ Clearer return on investment for money spent.</li> <li>▪ Potential tiered approach – may assist with building a system of accountability for ensuring services provided and the funding provided support these services.</li> <li>▪ From the community agency perspective: this model provides a stable and predictable funding source (once a criterion has been met).</li> <li>▪ Creates and incents partnerships between organizations providing overlapping services.</li> </ul> | <b>Pro’s:</b> <ul style="list-style-type: none"> <li>▪ Ability to administer “block” grant (and realize the advantages thereof) along with incentives to perform (accommodates performance requirements that can be both measured and verified).</li> <li>▪ Provides HIX with the flexibility to target organizations with access to specific market segments.</li> <li>▪ May lead to higher enrollment.</li> <li>▪ Financial risk can be minimized by setting base payment sufficiently high.</li> </ul> | <b>Pro’s:</b> <ul style="list-style-type: none"> <li>▪ Supports ongoing commitment to the consumer by bridging initial and ongoing services, which facilitates consumer engagement throughout the cycle of service.</li> <li>▪ Consumer trust built through sustained engagement.</li> <li>▪ Once paid to keep track of consumers, may be more inclined to continue support and “follow” consumers – ‘reach out’ versus more passive approach.</li> <li>▪ Carriers: well positioned now to bring this type of education, depending upon how the communication is set up through SHOP; Carriers are familiar and have the infrastructure to deal with this type of mechanism depending on what operational decisions are made.</li> </ul> | <b>Pro’s:</b> <ul style="list-style-type: none"> <li>▪ Supports entities who will continue to provide navigator-like services and expertise regardless of funding.</li> <li>▪ Reduces overall costs to the HIX.</li> <li>▪ Allows HIX to leverage capacity of partner organizations that provide comparable services as an aspect of their mission.</li> <li>▪ Fits with a tiered model where organizations can provide level of service but fund it externally.</li> </ul> |

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|   | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ Challenging to identify ahead of time the measures / duties and is less adaptive to a changing landscape during the life of the grant.</li> <li>▪ Potential to become an administrative burden, having to issue a new RFP if money tied up with grantee that may not be providing relevant services.</li> <li>▪ May duplicate funding for consumer assistance activities and potential reduce overall funding for community organizations engaged in this work?</li> <li>▪ RFP process – could create barrier to establishing entity as a Navigator; may be too difficult.</li> <li>▪ Prohibit access for those who may not be as capable to write “professional” grant applications (may be more difficult for the “grass-roots” efforts of smaller organizations).</li> <li>▪ Funding may not be maximized if grantee does not meet performance requirements— grant money could go unused in an underperformance situation.</li> <li>▪ Extended ramp-up time for grantees to set-up functions/activities proposed in response to an RFP.</li> <li>▪ Does not provide for tracking individuals for services.</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ If enrollment PFP – potential mismatch between required duties and the actual PFP services (i.e. educational); creates cost shifting to another funding source if not conducted properly.</li> <li>▪ This model would represent a new process for some potential Navigators to become a PFP type entity – introducing a “new” way to get paid; which would take time and resources.</li> <li>▪ Potential barrier to entry (ongoing if a negative cash flow) – smaller community (any organization) based organizations might not have capacity or operations to function under this compensation model (not have funding capacity).</li> <li>▪ Kinds of organizations likely to contract with HIX may not be able to float the activities (non-profits with restricted grants, etc.) due to up-front cash flow needs.</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ May be higher cost than “block grant” only.</li> <li>▪ Administration could be prohibitive.</li> <li>▪ Setting the base versus incentive payment can be challenging – if base payment is set too high, it can negate the goal of the incentive payments.</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ Would this support retaining and being available for those consumers who come across life-changes?</li> <li>▪ Doesn't connect with goals for this level of service.</li> <li>▪ Will model support operations for this level of service?</li> <li>▪ Doesn't lend itself to intent or capacity needs for this level of service (outreach).</li> <li>▪ Inferior mechanism for this level of service.</li> <li>▪ Doesn't lend itself to reaching hard to reach populations – doesn't lend itself to marketing and advertising – tracking exposures, not sales (for outreach).</li> <li>▪ (pro and con) Mixes services with call center / customer service model.</li> <li>▪ It's not clear how to measure performance of this level of service with this compensation model.</li> <li>▪ Do not feel this is a viable model for these type of activities.</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ Potential for “referrals” between Assister organizations based on the product for which they are eligible, potentially compromising the ‘no wrong door’ experience.</li> <li>▪ More reliance on Call Center (could be both a pro and a con) [Still working on overall customer service].</li> </ul> |
| <p><b>Other States considering:</b></p> | <p>IL, NV, OR, CO, MA</p>  |  | <p>AR, CA, CT</p>   |   | <p>OR, CA</p>   |

## Consumer Assistance / Navigator Program Responsibilities by Compensation Options

### Level of Service – Assessment

#### Individual / Family Guidance

1. Inform individuals of application processes, required documentation, mandated requirements and any exemption criteria.
2. Explain program eligibility rules for advance premium tax credits, cost-sharing reductions, Medicaid, or CHIP.
3. **Inform consumers of specific benefits available to American Indians.**
4. Address questions regarding access to any of the enrollment methods and the submission of enrollment documentation to the HIX; explain the enrollment criteria for purchasing insurance through the HIX, from public programs to QHPs.
5. Describe the methods of purchase and the different means available to purchase and enroll in a QHP: HIX web portal, HIX call-in center, walk-in centers, participating small employers, kiosks located in community service centers, and state agencies, mail in applications and fax applications.
6. Provide the consumer with documentation regarding the available plans, enrollment letters stating the date coverage will start, etc.
7. Provide information and referrals to small employers on enrollment in the Small Business Health Options Program (SHOP) and any tax provisions, including credits and penalties, potentially affecting small employer.

#### Assessment

7. Administer tools to assess needs for all individuals, including all persons who reside in a household and identify possible eligibility for various HIX insurance options.
8. Gauge eligibility for the HIX and provide referrals to appropriate support services/ programs for further assistance (i.e. free health clinics, Agents and/or Brokers, etc.).
9. Provide non-medical referrals to the appropriate State agency or agencies;
10. Gather information and data for verification and statistical reporting.

#### Access

11. Distribute fair and impartial information concerning enrollment in QHP's, the availability of premium tax credits and cost-sharing reductions in accordance with federal tax laws, and enrollment in public programs.
12. Provide culturally and linguistically appropriate health insurance education.
13. Aid the consumer to find avenues to resolve disputes, such as directing them to the Division of Commerce, a public program Ombudsman, or to the HIX.
14. Provide access to locations or mobile computing centers with the ability to print and mail hard copies of enrollment documents to the HIX processing center.

| Compensation Method  | Grant – Block   | Grant – Pay for Performance  | Grant – Hybrid  | PMPM   | No Compensation  |
|--|---|--|---|--|--|
| <b>Navigator, Agent &amp; Broker Work Group Considerations</b> | <b>Pro's:</b> <ul style="list-style-type: none"> <li>▪ Predictable budget expense.</li> <li>▪ Provide grantees with funding for start-up costs and hiring (front-loading).</li> <li>▪ Provides a continuum of familiarity with those already performing these types of functions.</li> <li>▪ Avoid “cherry-picking” and incentivize broader Navigator functions by focusing beyond enrollment on outreach and education.</li> <li>▪ Offers opportunity for partnerships that may already exist or could be developed; flexibility to match up agencies to provide mentorship to less experienced agencies/organizations.</li> </ul> | <b>Pro's:</b> <ul style="list-style-type: none"> <li>▪ Easy to administer (for grantor) – funds distributed based upon defined and measurable outcomes and distributed on a schedule (quarterly basis) and tied to achievement of specified goals.</li> <li>▪ Encourages greater accountability.</li> <li>▪ Clearer return on investment for money spent.</li> <li>▪ Potential tiered approach – may assist with building a system of accountability for ensuring services provided and the funding provided support these services.</li> <li>▪ From the community agency perspective: this model provides a stable and predictable funding</li> </ul> | <b>Pro's:</b> <ul style="list-style-type: none"> <li>▪ Ability to administer “block” grant) and realize the advantages thereof) and provide with incentives to perform (accommodates performance requirements that can be both measured and verified).</li> <li>▪ Provides HIX with the flexibility to target organizations with access to specific market segments.</li> <li>▪ May lead to higher enrollment.</li> <li>▪ Financial risk can be minimized by setting base payment sufficiently high.</li> </ul> | <b>Pro's:</b> <ul style="list-style-type: none"> <li>▪ Incentivizes for year-round service</li> <li>▪ Provides enrollment incentive for assister organization.</li> <li>▪ Funding model supports post-enrollment assistance.</li> <li>▪ May help mitigate Conflict of Interest; may ensure compensation is the same/uniform.</li> <li>▪ Used to further (from State standpoint) encourage plans to “hit” the triple Aim [TA].</li> <li>▪ Market will determine appropriate mechanisms to address issues such as COI.</li> <li>▪ Supports innovation.</li> <li>▪ Maintains current model, which is cost effective.</li> </ul> | <b>Pro's:</b> <ul style="list-style-type: none"> <li>▪ Supports entities who will continue to provide navigator-like services and expertise regardless of funding.</li> <li>▪ Reduces overall costs to the HIX.</li> <li>▪ Allows HIX to leverage capacity of partner organizations that provide comparable services as an aspect of their mission.</li> </ul> |

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|                                  | <ul style="list-style-type: none"> <li>Model lends itself to activities that engage hard-to-reach populations.</li> </ul>   | <p>source (once criteria have been met).</p> <ul style="list-style-type: none"> <li>Creates and incents partnerships between organizations providing overlapping services.</li> <li>Assumption: PFP would be simplified if paid per the “pre-application screening” tool via HIX.</li> </ul>   |   |  |   |
|                                  | <p><b>Con’s:</b></p> <ul style="list-style-type: none"> <li>Difficult to determine how to measure adequate performance and ensure the amount of the block grant equates to actual services performed.</li> <li>May duplicate funding for consumer assistance activities and potential reduce overall funding for community organizations engaged in this work.</li> <li>RFP process – could create barrier to establishing entity as a Navigator; may be too difficult.</li> <li>Prohibit access for those who may not be as capable to write “professional” grant applications (may be more difficult for the “grass-roots” efforts of smaller organizations).</li> <li>Extended ramp-up time for grantees to set-up functions/activities proposed in response to an RFP.</li> </ul> | <p><b>Con’s:</b></p> <ul style="list-style-type: none"> <li>If enrollment PFP – potential mismatch between required duties and the actual PFP services (i.e. educational); creates cost shifting to another funding source if not conducted properly.</li> <li>This model would represent a new process for some potential Navigators to become a PFP type entity – introducing a “new” way to get paid; which would take time and resources.</li> <li>May be difficult to administer for grantor: need well-defined / concrete metrics.</li> <li>May incent enrollment (and other paid for services) over outreach/education (and any non-paid for services).</li> <li>Potential barrier to entry – smaller community based organizations might not have capacity or operations to function under this compensation model.</li> <li>May require more administration resources for HIX (compared to block grant).</li> <li>Some organizations with access to specific market segments will require start-up or ongoing operating funds to participate and may elect not to participate.</li> </ul> | <p><b>Con’s:</b></p> <ul style="list-style-type: none"> <li>May be higher cost than “block grant” only.</li> <li>Administration could be prohibitive.</li> <li>Setting the base versus incentive payment can be challenging – if base payment is set too high, it can negate the goal of the incentive payments.</li> </ul> | <p><b>Con’s:</b></p> <ul style="list-style-type: none"> <li>May require HIX to write detailed job by creating this type of ‘new’ infrastructure, creating new policies and procedures and red tape to contend with.</li> <li>Accountability switches from product owner (carrier) to third party (HIX).</li> <li>Without parity between markets, may incent enrollment in one plan over another (Conflict of Interest issues).</li> <li>Not sure how this would play out with differing levels of eligibility or enrollment into different plans – Medicaid, QHP or Managed Care plan (“in” and “out” of HIX) and how to support the continuum of care.</li> <li>Prevents potential HIX funding models.</li> <li>Not clear how this model would pay for enrollment in public programs.</li> <li>Without parity between markets, may incent enrollment in one plan over another (Conflict of Interest issues).</li> </ul> | <p><b>Con’s:</b></p> <ul style="list-style-type: none"> <li>Potential for “referrals” between Assister organizations based on the product for which they are eligible, potentially compromising the ‘no wrong door’ experience.</li> <li>More reliance on Call Center (could be both a pro and a con).</li> </ul> |
| <b>Other States considering:</b> | IL, NV, OR, CO, MA  |  | AR, CA, CT  | CA, Utah, MA, CO   | OR, CA  |

## Consumer Assistance / Navigator Program Responsibilities by Compensation Options

### Level of Service – Application Assistance and Facilitate Enrollment

1. Provide application assistance for Medicaid, CHIP, premium tax credits, cost-sharing reductions.
2. Assist with completion of enrollment form (application and verification) and possibly collect initial premium payment.
3. Enter, assist with the entry, or oversee the entry of information into enrollment tools and resources, including final submission of information. (“Enrolling” is intended to focus activity on the physical mechanics of enrolling individuals, including properly utilizing the appropriate tools, resources and data to perform this function).
4. Advise individuals, families, and small employers enrolled through the HIX on the impact of changes in household income on the amount of any affordability assistance program.
5. **Advise American Indians on benefits such as cost sharing reductions, income exclusions, special open enrollment periods, and exemption from minimum health care coverage mandate.**
6. Address questions regarding the submission of enrollment documentation to the HIX (documentation necessary for verification – i.e. pregnancy, income, etc.).
7. Facilitate collection of individual information required to determine eligibility for a Qualified Health Plan subsidies or Medicaid/CHIP.
8. Facilitate referrals to Agents and/or Brokers for individuals/families enrolling in Qualified Health Plans through the HIX and requesting additional plan enrollment assistance.
9. Facilitate referrals to Agents and/or Brokers for small employers requesting additional assistance in the SHOP.
10. **Facilitate referrals to community organizations, counties, or other appropriate non-profit or public entities when individuals and families require technical expertise and assistance beyond the scope of the HIX Navigator, Agent and/or Broker, and In-Person Assister program.**
11. Address questions regarding post enrollment and renewal activities, including following up at prescribed intervals to ensure successful enrollment, determine utilization status, identify barriers and assist with dispute resolution.
12. Assist individuals and families insured through the HIX with the renewal of their coverage, or updating eligibility information.
13. Understand the basics of the HIX’s web portal, Advanced Premium Tax Credits, structure of the Small Business Health Options Program (SHOP) HIX, Medicaid enrollment and where to direct individuals who require social services from programs such as Supplemental Nutrition Assistance Program (SNAP; formerly food stamps) and Temporary Assistance for Needy Families (TANF).

| Compensation Method  | Grant – Block   | Grant – Pay for Performance   | Grant – Hybrid   | PMPM  | No Compensation   |
|--|---|---|--|---|---|
| <b>Navigator, Agent &amp; Broker Work Group Considerations</b> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Predictable budget expense.</li> <li>▪ Provide grantees with funding for start-up costs and hiring (front-loading) - need for managing this level of service to ramp up (i.e. capital equipment, staff, training, etc.).</li> <li>▪ Provides a continuum of familiarity with those already performing these types of functions.</li> <li>▪ Avoid “cherry-picking” and incentivize broader Navigator functions by focusing beyond enrollment on outreach and education.</li> <li>▪ Offers opportunity for partnerships that may already exist or could be developed; flexibility to match up agencies to provide mentorship to less experienced agencies/org’s.</li> <li>▪ Model lends itself to activities</li> </ul> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Easy to administer (for grantor) – funds distributed based upon defined and measurable outcomes and distributed on a schedule (quarterly basis) and tied to achievement of specified goals.</li> <li>▪ Encourages greater accountability.</li> <li>▪ Clearer return on investment for money spent.</li> <li>▪ Potential tiered approach – may assist with building a system of accountability for ensuring services provided and the funding provided support these services.</li> <li>▪ From the community agency perspective: this model provides a stable and predictable funding source (once criteria have been met).</li> <li>▪ Creates and incents partnerships</li> </ul> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Ability to administer “block” grant) and realize the advantages thereof) and provide with incentives to perform (accommodates performance requirements that can be both measured and verified).</li> <li>▪ Provides HIX with the flexibility to target organizations with access to specific market segments.</li> <li>▪ May lead to higher enrollment.</li> <li>▪ Financial risk can be minimized by setting base payment sufficiently high.</li> </ul> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Incentivizes for year-round service.</li> <li>▪ Provides enrollment incentive for assister organization.</li> <li>▪ Funding model supports post-enrollment assistance.</li> <li>▪ May help mitigate Conflict of Interest; may ensure compensation is the same/uniform.</li> <li>▪ Used to further (from State standpoint) encourage plans to “hit” the triple Aim [TA].</li> <li>▪ Market will determine appropriate mechanisms to address issues such as COI.</li> <li>▪ Supports innovation.</li> <li>▪ Maintains current model (within the private market), which is cost effective.</li> <li>▪ Incent outcomes (and work done under a grant) as a bonus or supplement this would be a good</li> </ul> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Supports entities who will continue to provide navigator-like services and expertise regardless of funding.</li> <li>▪ Reduces overall costs to the HIX.</li> <li>▪ Allows HIX to leverage capacity of partner organizations that provide comparable services as an aspect of their mission.</li> </ul> |

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|                                  | <p>that engage hard-to-reach populations.</p> <ul style="list-style-type: none"> <li>Encourages flexible, complete service (like PMPM, but with funding ahead of time).</li> </ul>   | <p>between organizations providing overlapping services.</p> <ul style="list-style-type: none"> <li>Getting into concrete, measurable. More doable to determine measurable performance. By being very clear upfront.</li> </ul>  |   | <p>model to serve people.</p> <ul style="list-style-type: none"> <li>Steady funding stream; organizations can account for cash flow.</li> </ul>  |   |
|                                  | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>Difficult to determine how to measure adequate performance and ensure the amount of the block grant equates to actual services performed - how to equate to actual services that are further defined. (see below).</li> <li>May duplicate funding for consumer assistance activities and potential reduce overall funding for community organizations engaged in this work.</li> <li>RFP process – could create barrier to establishing entity as a Navigator; may be too difficult.</li> <li>Prohibit access for those who may not be as capable to write “professional” grant applications (may be more difficult for the “grass-roots” efforts of smaller organizations).</li> <li>Extended ramp-up time for grantees to set-up functions/activities proposed in response to an RFP.</li> <li>Expanded responsibilities.</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>If enrollment PFP – potential mismatch between required duties and the actual PFP services (i.e. educational); creates cost shifting to another funding source if not conducted properly.</li> <li>This model would represent a new process for some potential Navigators to become a PFP type entity – introducing a “new” way to get paid; which would take time and resources.</li> <li>May be difficult to administer for grantor: need well-defined / concrete metrics.</li> <li>May incent enrollment (and other paid for services) over outreach/education (and any non-paid for services).</li> <li>Potential barrier to entry – smaller community based organizations might not have capacity or operations to function under this compensation model.</li> <li>Some organizations with access to specific market segments will require start-up or ongoing operating funds to participate and may elect not to participate.</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>May be higher cost than “block grant” only.</li> <li>Administration could be prohibitive.</li> <li>Setting the base versus incentive payment can be challenging – if base payment is set too high, it can negate the goal of the incentive payments.</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>May require HIX to write detailed job by creating this type of ‘new’ infrastructure, creating new policies and procedures and red tape to contend with.</li> <li>Accountability switches from product owner (carrier) to third party (HIX).</li> <li>Without parity between markets, may incent enrollment in one plan over another (Conflict of Interest issues).</li> <li>Not sure how this would play out with differing levels of eligibility or enrollment into different plans – Medicaid, QHP or Managed Care plan (“in” and “out” of HIX) and how to support the continuum of care.</li> <li>Prevents potential HIX funding models.</li> <li>Not clear how this model would pay for enrollment in public programs.</li> <li>Without parity between markets, may incent enrollment in one plan over another (Conflict of Interest issues).</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>Potential for “referrals” between Assister organizations based on the product for which they are eligible, potentially compromising the ‘no wrong door’ experience.</li> <li>More reliance on Call Center (could be both a pro and a con).</li> </ul> |
| <b>Other States considering:</b> | IL, NV, OR, CO, MA   |  | AR, CA, CT  | CA, Utah, MA, CO   | OR, CA  |

## Consumer Assistance / Navigator Program Responsibilities by Compensation Options

### Level of Service – Plan Selection Support

1. Provide awareness of and assistance with utilization of decision tools available within the HIX.
2. Dispense QHP information (including buyers’ guides, coverage selection forms, and other similar forms) regarding specific plan details including benefit and cost sharing variations, i.e. plan deductibles, co-insurance, copays and out-of-pocket maximums.
3. Assist consumers in gathering required documentation
4. Explain, discuss, and interpret coverage and policies with consumer to facilitate plan selection. Assist with plan comparison based upon individual priorities, including but not limited to Metal Tier levels, quality ranges, providers, (i.e. specialty care, pharmaceutical, dental and eye care, etc.) and total cost estimation including utilization and health status.
5. Facilitate initial premium payments on behalf of the HIX

| Compensation Method  | Grant – Block  | Grant – Pay for Performance   | Grant – Hybrid   | PMPM   | No Compensation   |
|--|--|---|--|--|---|
| <b>Navigator, Agent &amp; Broker Work Group Considerations</b> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Predictable budget expense.</li> <li>▪ Provide grantees with funding for start-up costs and hiring (front-loading) - need for managing this level of service to ramp up (i.e. capital equipment, staff, training, etc.).</li> <li>▪ Provides a continuum of familiarity with those already performing these types of functions.</li> <li>▪ Avoid “cherry-picking” and incentivize broader Navigator functions by focusing beyond enrollment on outreach and education.</li> <li>▪ Offers opportunity for partnerships that may already exist or could be developed; flexibility to match up agencies to provide mentorship to less experienced agencies/org’s.</li> <li>▪ Model lends itself to activities that engage hard-to-reach populations.</li> <li>▪ Encourages flexible, complete service (like PMPM, but with funding ahead of time).</li> </ul> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Easy to administer (for grantor) – funds distributed based upon defined and measurable outcomes and distributed on a schedule (quarterly basis) and tied to achievement of specified goals.</li> <li>▪ Encourages greater accountability.</li> <li>▪ Clearer return on investment for money spent.</li> <li>▪ Potential tiered approach – may assist with building a system of accountability for ensuring services provided and the funding provided support these services.</li> <li>▪ From the community agency perspective: this model provides a stable and predictable funding source (once criteria have been met).</li> <li>▪ Creates and incents partnerships between organizations providing overlapping services.</li> <li>▪ Getting into concrete, measurable. More doable to determine measurable performance. By being very clear upfront.</li> </ul> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Ability to administer “block” grant) and realize the advantages thereof) and provide with incentives to perform (accommodates performance requirements that can be both measured and verified).</li> <li>▪ Provides HIX with the flexibility to target organizations with access to specific market segments.</li> <li>▪ May lead to higher enrollment.</li> <li>▪ Financial risk can be minimized by setting base payment sufficiently high.</li> </ul> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Aligns with payment mechanisms currently used for Agents and Brokers.</li> <li>▪ Incentivizes for year-round service</li> <li>▪ Provides enrollment incentive for assister organization.</li> <li>▪ Funding model supports post-enrollment assistance</li> <li>▪ Used to further (from State standpoint) encourage plans to “hit” the triple Aim [TA];</li> <li>▪ Market will determine appropriate mechanisms to address issues such as COI</li> <li>▪ Supports innovation</li> <li>▪ Maintains current model, which is cost effective</li> </ul> | <p><b>Pro’s:</b></p> <ul style="list-style-type: none"> <li>▪ Supports entities who will continue to provide navigator-like services and expertise regardless of funding</li> <li>▪ Reduces overall costs to the HIX</li> <li>▪ Allows HIX to leverage capacity of partner organizations that provide comparable services as an aspect of their mission.</li> </ul> |

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|   | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ Difficult to determine how to measure adequate performance and ensure the amount of the block grant equates to actual services performed</li> <li>▪ May duplicate funding for consumer assistance activities and potential reduce overall funding for community organizations engaged in this work</li> <li>▪ RFP process – could create barrier to establishing entity as a Navigator; may be too difficult</li> <li>▪ Prohibit access for those who may not be as capable to write “professional” grant applications (may be more difficult for the “grass-roots” efforts of smaller organizations)</li> <li>▪ Under-performing organizations – not maximizing funding (underperforming entity will generally receive all monies)</li> <li>▪ Difficult to administer grants/contracts for underperforming organizations</li> <li>▪ Extended ramp-up time for grantees to set-up functions/activities proposed in response to an RFP.</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ If enrollment PFP – potential mismatch between required duties and the actual PFP services (i.e. educational); creates cost shifting to another funding source if not conducted properly;</li> <li>▪ This model would represent a new process for some potential Navigators to become a PFP type entity – introducing a “new” way to get paid; which would take time and resources</li> <li>▪ May be difficult to administer for grantor: need well-defined / concrete metrics</li> <li>▪ May incent enrollment (and other paid for services) over outreach/education (and any non-paid for services)</li> <li>▪ Potential barrier to entry – smaller community based organizations might not have capacity or operations to function under this compensation model</li> <li>▪ May require more administration resources for HIX (compared to block grant)</li> <li>▪ Some organizations with access to specific market segments will require start-up or ongoing operating funds to participate and may elect not to participate</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ May be higher cost than “block grant” only</li> <li>▪ Administration could be prohibitive</li> <li>▪ Setting the base versus incentive payment can be challenging – if base payment is set too high, it can negate the goal of the incentive payments</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ If HIX mandates appointment, the current self-regulation of the market under the carrier model would be disrupted) (could be treated as a separate topic, however)</li> <li>▪ Same compensation requires HIX to write detailed job description for A/B's – for which they cannot deviate. May creating this type of ‘new’ infrastructure, creating new policies and procedures and red tape to content with;</li> <li>▪ Accountability switches from product owner (carrier) to third party (HIX)</li> <li>▪ Could lead to Agents/Brokers being regulated out of the market</li> <li>▪ Without parity between markets, may incent enrollment in one plan over another (Conflict of Interest issues)</li> <li>▪ Not sure how this would play out with differing levels of eligibility or enrollment into different plans – Medicaid, QHP or Managed Care plan (“in” and “out” of HIX) and how to support the continuum of care;</li> <li>▪ Prevents potential HIX funding models</li> <li>▪ Not clear how this model would pay for enrollment in public programs</li> <li>▪ Without parity between markets, may incent enrollment in one plan over another (Conflict of Interest issues)</li> </ul> | <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>▪ Potential for “referrals” between Assister organizations based on the product for which they are eligible, potentially compromising the ‘no wrong door’ experience</li> <li>▪ More reliance on Call Center (could be both a pro and a con)</li> </ul> |
| <p><b>Other States considering:</b></p> | <p>IL, NV, OR, CO, MA</p>   |  |  | <p>CA, Utah, MA, CO</p>  | <p>OR, CA</p>   |